

Adopted	Rejected
---------	----------

## COMMITTEE REPORT

YES:	15
NO:	9

### MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1347, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

1       Page 1, between the enacting clause and line 1, begin a new  
2       paragraph and insert:  
3       "SECTION 1. IC 6-1.1-1-6.5 IS ADDED TO THE INDIANA CODE  
4       AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON  
5       PASSAGE]: **Sec. 6.5. "Fair market value" means, for purposes of**  
6       **determining the assessed value of real property used as**  
7       **residential property, the price at which a willing buyer and a**  
8       **willing seller dealing at arm's length would arrive, after**  
9       **negotiation, for a sale of property for the existing use of the**  
10       **property as residential property when neither is acting under**  
11       **compulsion and both have a reasonable knowledge of all the facts**  
12       **that affect value.**  
13       SECTION 2. IC 6-1.1-1-22.7 IS ADDED TO THE INDIANA CODE

AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON  
PASSAGE]: **Sec. 22.7. "True tax value" means, for purposes of  
determining the assessed value of real property used as  
residential property, an assessed value that does not exceed fair  
market value.**

SECTION 3. IC 6-1.1-4-5, AS AMENDED BY P.L.90-2002,  
SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
UPON PASSAGE]: Sec. 5. (a) A petition for the reassessment of real  
property situated within a township may be filed with the department of  
local government finance on or before March 31st of any year ~~which~~  
~~is not a general election year and~~ in which no general reassessment of  
real property is made.

(b) The petition ~~for reassessment referred to in subsection (a)~~  
must be signed by ~~not less than the following percentage of all the~~  
~~owners of taxable real property who reside in the township:~~

(1) ~~fifteen percent (15%) for a township which does not contain  
an incorporated city or town;~~

(2) ~~five percent (5%) for a township containing all or part of an  
incorporated city or town which has a population of five thousand  
(5,000) or less;~~

(3) ~~four percent (4%) for a township containing all or part of an  
incorporated city which has a population of more than five  
thousand (5,000) but not exceeding ten thousand (10,000);~~

(4) ~~three percent (3%) for a township containing all or part of an  
incorporated city which has a population of more than ten  
thousand (10,000) but not exceeding fifty thousand (50,000);~~

(5) ~~two percent (2%) for a township containing all or part of an  
incorporated city which has a population of more than fifty  
thousand (50,000) but not exceeding one hundred fifty thousand  
(150,000); or~~

(6) ~~one percent (1%) for a township containing all or part of an  
incorporated city which has a population of more than one  
hundred fifty thousand (150,000);~~

at least the lesser of:

(1) ~~ten (10) owners of real property in a township; or~~

(2) ~~the number of owners of real property in the township  
that represents owners of one percent (1%) of the assessed~~

**value of real property in the township.**

(c) The signatures on the petition referred to in subsection (a) must be verified by the oath of one (1) or more of the signers. ~~And, A~~ certificate of the county auditor stating that the signers constitute the required number of resident owners of taxable real property of the township must accompany the petition.

SECTION 4. IC 6-1.1-4-32, AS AMENDED BY P.L.235-2003, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) As used in this section, "contract" refers to a contract entered into under this section.

(b) As used in this section, "contractor" refers to a firm that enters into a contract with the department of local government finance under this section.

(c) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(d) Notwithstanding sections 15 and 17 of this chapter, a township assessor in a qualifying county may not appraise property, or have property appraised, for the general reassessment of real property to be completed for the March 1, 2002, assessment date. Completion of that general reassessment in a qualifying county is instead governed by this section. The only duty of:

(1) a township assessor in a qualifying county; or

(2) a county assessor of a qualifying county;

with respect to that general reassessment is to provide to the department of local government finance or the department's contractor under subsection (e) any support and information requested by the department or the contractor. This subsection expires June 30, 2004.

(e) Subject to section 33 of this chapter, the department of local government finance shall select and contract with a certified public accounting firm with expertise in the appraisal of real property to appraise property for the general reassessment of real property in a qualifying county to be completed for the March 1, 2002, assessment date. The department of local government finance may enter into additional contracts to provide software or other auxiliary services to be used for the appraisal of property for the general reassessment. The contract applies for the appraisal of land and improvements with respect

to all classes of real property in the qualifying county. The contract must include:

(1) a provision requiring the appraisal firm to:

(A) prepare a detailed report of:

(i) expenditures made after July 1, 1999, and before the date of the report from the qualifying county's reassessment fund under section 28 of this chapter (repealed); and

(ii) the balance in the reassessment fund as of the date of the report; and

(B) file the report with:

(i) the legislative body of the qualifying county;

(ii) the prosecuting attorney of the qualifying county;

(iii) the department of local government finance; and

(iv) the attorney general;

(2) a fixed date by which the appraisal firm must complete all responsibilities under the contract;

(3) subject to subsection (t), a provision requiring the appraisal firm to use the land values determined for the qualifying county under section 13.6 of this chapter **(before its repeal)**;

(4) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;

(5) a provision requiring the appraisal firm to make periodic reports to the department of local government finance;

(6) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (5) are to be made;

(7) a precise stipulation of what service or services are to be provided;

(8) a provision requiring the appraisal firm to deliver a report of the assessed value of each parcel in a township in the qualifying county to the department of local government finance; and

(9) any other provisions required by the department of local government finance.

After December 31, 2001, the department of local government finance has all the powers and duties of the state board of tax commissioners provided under a contract entered into under this subsection (as

1 effective before January 1, 2002) before January 1, 2002. The contract  
2 is valid to the same extent as if it were entered into by the department  
3 of local government finance. However, a reference in the contract to  
4 the state board of tax commissioners shall be treated as a reference to  
5 the department of local government finance. The contract shall be  
6 treated for all purposes, including the application of IC 33-3-5-2.5, as  
7 the contract of the department of local government finance. If the  
8 department of local government finance terminates a contract before  
9 completion of the work described in this subsection, the department  
10 shall contract for completion of the work as promptly as possible under  
11 IC 5-22-6. This subsection expires June 30, 2004.

12 (f) At least one (1) time each month, the contractors that will make  
13 physical visits to the site of real property for reassessment purposes  
14 shall publish a notice under IC 5-3-1 describing the areas that are  
15 scheduled to be visited within the next thirty (30) days and explaining  
16 the purposes of the visit. The notice shall be published in a way to  
17 promote understanding of the purposes of the visit in the affected areas.  
18 After receiving the report of assessed values from the appraisal firm  
19 acting under a contract described in subsection (e), the department of  
20 local government finance shall give notice to the taxpayer and the  
21 county assessor, by mail, of the amount of the reassessment. The  
22 notice of reassessment:

23 (1) is subject to appeal by the taxpayer under section 34 of this  
24 chapter; and

25 (2) must include a statement of the taxpayer's rights under  
26 sections 33 and 34 of this chapter.

27 (g) The department of local government finance shall mail the notice  
28 required by subsection (f) within ninety (90) days after the department  
29 receives the report for a parcel from the professional appraisal firm.  
30 This subsection expires June 30, 2004.

31 (h) The qualifying county shall pay the cost of any contract under  
32 this section which shall be without appropriation from the county  
33 property reassessment fund. A contractor may periodically submit bills  
34 for partial payment of work performed under a contract. However, the  
35 maximum amount that the qualifying county is obligated to pay for all  
36 contracts entered into under subsection (e) for the general reassessment  
37 of real property in the qualifying county to be completed for the March

1, 2002, assessment date is twenty-five million five hundred thousand dollars (\$25,500,000). Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;

(2) obtains from the department of local government finance:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and

(3) files with the county auditor of the qualifying county:

(A) a duplicate copy of the bill submitted to the department of local government finance;

(B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and

(C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this

chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection. This subsection expires June 30, 2004.

(i) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department of local government finance under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.
- (4) The governor.

(j) With respect to a general reassessment of real property to be completed under section 4 of this chapter for an assessment date after the March 1, 2002, assessment date, the department of local government finance shall initiate a review with respect to the real property in a qualifying county or a township in a qualifying county, or a portion of the real property in a qualifying county or a township in a qualifying county. The department of local government finance may contract to have the review performed by an appraisal firm. The department of local government finance or its contractor shall determine for the real property under consideration and for the qualifying county or township the variance between:

- (1) the total assessed valuation of the real property within the qualifying county or township; and
- (2) the total assessed valuation that would result if the real property within the qualifying county or township were valued in the manner provided by law.

(k) If:

- (1) the variance determined under subsection (j) exceeds ten percent (10%); and
- (2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment by an appraisal

1 firm to correct the valuation of the property.

2 (l) If the variance determined under subsection (j) is ten percent  
3 (10%) or less, the department of local government finance shall  
4 determine whether to correct the valuation of the property under:

5 (1) sections 9 and 10 of this chapter; or

6 (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.

7 (m) The department of local government finance shall give notice by  
8 mail to a taxpayer of a hearing concerning the department's intent to  
9 cause the taxpayer's property to be reassessed under this section. The  
10 time fixed for the hearing must be at least ten (10) days after the day  
11 the notice is mailed. The department of local government finance may  
12 conduct a single hearing under this section with respect to multiple  
13 properties. The notice must state:

14 (1) the time of the hearing;

15 (2) the location of the hearing; and

16 (3) that the purpose of the hearing is to hear taxpayers' comments  
17 and objections with respect to the department of local government  
18 finance's intent to reassess property under this chapter.

19 (n) If the department of local government finance determines after  
20 the hearing that property should be reassessed under this section, the  
21 department shall:

22 (1) cause the property to be reassessed under this section;

23 (2) mail a certified notice of its final determination to the county  
24 auditor of the qualifying county in which the property is located;  
25 and

26 (3) notify the taxpayer by mail of its final determination.

27 (o) A reassessment may be made under this section only if the notice  
28 of the final determination under subsection (m) is given to the taxpayer  
29 within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

30 (p) If the department of local government finance contracts for a  
31 special reassessment of property under this section, the qualifying  
32 county shall pay the bill, without appropriation, from the county  
33 property reassessment fund. A contractor may periodically submit bills  
34 for partial payment of work performed under a contract.  
35 Notwithstanding any other law, a contractor is entitled to payment  
36 under this subsection for work performed under a contract if the  
37 contractor:



(1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;

(2) obtains from the department of local government finance:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and

(3) files with the county auditor of the qualifying county:

(A) a duplicate copy of the bill submitted to the department of local government finance;

(B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and

(C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to

1 a fiscal officer who pays a claim in compliance with this subsection.

2 (q) A qualifying official (as defined in IC 33-3-5-2.5) shall provide  
3 information requested in writing by the department of local government  
4 finance or the department's contractor under this section not later than  
5 seven (7) days after receipt of the written request from the department  
6 or the contractor. If a qualifying official (as defined in IC 33-3-5-2.5)  
7 fails to provide the requested information within the time permitted in  
8 this subsection, the department of local government finance or the  
9 department's contractor may seek an order of the tax court under  
10 IC 33-3-5-2.5 for production of the information.

11 (r) The provisions of this section are severable in the manner  
12 provided in IC 1-1-1-8(b).

13 (s) A contract entered into under subsection (e) is subject to this  
14 subsection. A contractor shall use the land values determined for the  
15 qualifying county under section 13.6 of this chapter **(before its repeal)**  
16 to the extent that the contractor finds that the land values reflect the  
17 true tax value of land, as determined under the statutes and the rules of  
18 the department of local government finance. If the contractor finds that  
19 the land values determined for the qualifying county under section 13.6  
20 of this chapter **(before its repeal)** do not reflect the true tax value of  
21 land, the contractor shall determine land values for the qualifying county  
22 that reflect the true tax value of land, as determined under the statutes  
23 and the rules of the department of local government finance. The land  
24 values determined by the contractor shall be used to the same extent as  
25 if the land values had been determined under section 13.6 of this  
26 chapter **(before its repeal)**. The contractor shall notify the county  
27 assessor and the township assessors in the qualifying county of the land  
28 values as modified under this subsection. This subsection expires June  
29 30, 2004.

30 (t) A contractor acting under a contract under subsection (e) may  
31 notify the department of local government finance if:

32 (1) the county auditor fails to:

33 (A) certify the bill;

34 (B) publish the claim;

35 (C) submit the claim to the county executive; or

36 (D) issue a warrant or check;

37 as required in subsection (h) at the first opportunity the county

auditor is legally permitted to do so;

(2) the county executive fails to allow the claim as required in subsection (h) at the first opportunity the county executive is legally permitted to do so; or

(3) a person or entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts the process under this section for payment of a bill submitted by a contractor under subsection (h).

This subsection expires June 30, 2004.

(u) The department of local government finance, upon receiving notice under subsection (t) from the contractor, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (t)(1) or (t)(2); or

(B) a person or entity acted or failed to act as described in subsection (t)(3); and

(2) provide to the treasurer of state the department of local government finance's approval under subsection (h)(2)(A) of the bill with respect to which the contractor gave notice under subsection (t).

This subsection expires June 30, 2004.

(v) Upon receipt of the approval of the department of local government finance under subsection (u), the treasurer of state shall pay the contractor the amount of the bill approved by the department of local government finance from money in the possession of the state that would otherwise be available for distribution to the qualifying county, including distributions from the property tax replacement fund or distributions of admissions taxes or wagering taxes. This subsection expires June 30, 2004.

(w) The treasurer of state shall withhold from the part attributable to the county of the next distribution to the county treasurer under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or another law the amount of any payment made by the treasurer of state to the contractor under subsection (v). Money shall be deducted first from money payable under IC 6-1.1-21.4(b) and then from all other funds payable

1 to the qualifying county. This subsection expires June 30, 2004.

2 (x) Compliance with subsections (t) through (w) shall be treated as  
3 compliance with IC 5-11-10. This subsection expires June 30, 2004.

4 (y) IC 5-11-10-1.6(d) applies to the treasurer of state with respect  
5 to the payment made in compliance with subsections (t) through (w).  
6 This subsection and subsections (t) through (x) shall be interpreted  
7 liberally so that the state shall, to the extent legally valid, ensure that the  
8 contractual obligations of a county under this section are paid. Nothing  
9 in this subsection or subsections (t) through (x) shall be construed to  
10 create a debt of the state. This subsection expires June 30, 2004.

11 (z) This section expires December 31, 2006.

12 SECTION 5. IC 6-1.1-4-35, AS ADDED BY P.L.1-2004, SECTION  
13 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON  
14 PASSAGE]: Sec. 35. (a) This section applies to a county other than a  
15 county subject to section 32 of this chapter.

16 (b) This section applies to a general reassessment of real property  
17 conducted under section 4(a) of this chapter that is scheduled to  
18 become effective for property taxes first due and payable in 2003.

19 (c) As used in this section, "department" refers to the department of  
20 local government finance.

21 (d) As used in this section, "reassessment official" means any of the  
22 following:

- 23 (1) A county assessor.
- 24 (2) A township assessor.
- 25 (3) A township trustee-assessor.

26 (e) If:

- 27 (1) the department determines that a county's reassessment  
28 officials are unable to complete the reassessment in a timely  
29 manner; or
- 30 (2) the department determines that a county's reassessment  
31 officials are likely to complete the reassessment in an inaccurate  
32 manner;

33 the department may order a state conducted reassessment in the  
34 county. The department may consider a reassessment in a county  
35 untimely if the county does not submit the county's equalization study  
36 to the department in the manner prescribed under 50 IAC 14 before  
37 October 20, 2003. The department may consider the reassessment

work of a county's reassessment officials inaccurate if the department determines from a sample of the assessments completed in the county that there is a variance exceeding ten percent (10%) between the total assessed valuation of the real property within the sample and the total assessed valuation that would result if the real property within the sample were valued in the manner provided by law.

(f) If the department orders a state conducted reassessment in a county, the department shall assume the duties of the county's reassessment officials. Notwithstanding sections 15 and 17 of this chapter, a reassessment official in a county subject to an order issued under this section may not assess property or have property assessed for the general reassessment. Until the state conducted reassessment is completed under this section, the reassessment duties of a reassessment official in the county are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(g) Before assuming the duties of a county's reassessment officials, the department shall transmit a copy of the department's order requiring a state conducted reassessment to the county's reassessment officials, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation in the county. The department is not required to conduct a public hearing before taking action under this section.

(h) Township and county officials in a county subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

- (1) data;
- (2) records;
- (3) maps;
- (4) parcel record cards;
- (5) forms;
- (6) computer software systems;
- (7) computer hardware systems; and
- (8) other information;

related to the reassessment of real property in the county. The information described in this subsection must be provided at no cost to

1 the department or the contractor of the department. A failure to provide  
 2 information requested under this subsection constitutes a failure to  
 3 perform a duty related to a general reassessment and is subject to  
 4 IC 6-1.1-37-2.

5 (i) The department may enter into a contract with a professional  
 6 appraising firm to conduct a reassessment under this section. If a  
 7 county or a township located in the county entered into a contract with  
 8 a professional appraising firm to conduct the county's reassessment  
 9 before the department orders a state conducted reassessment in the  
 10 county under this section, the contract:

11 (1) is as valid as if it had been entered into by the department; and

12 (2) shall be treated as the contract of the department.

13 (j) After receiving the report of assessed values from the appraisal  
 14 firm acting under a contract described in subsection (i), the department  
 15 of local government finance shall give notice to the taxpayer and the  
 16 county assessor, by mail, of the amount of the reassessment. The  
 17 notice of reassessment:

18 (1) is subject to appeal by the taxpayer under section 37 of this  
 19 chapter; and

20 (2) must include a statement of the taxpayer's rights under section  
 21 37 of this chapter.

22 (k) The department shall forward a bill for services provided under  
 23 a contract described in subsection (i) to the auditor of the county in  
 24 which the state conducted reassessment occurs. The county shall pay  
 25 the bill under the procedures prescribed by subsection (l).

26 (l) A county subject to an order issued under this section shall pay  
 27 the cost of a contract described in subsection (i), without appropriation,  
 28 from the county's property reassessment fund. A contractor may  
 29 periodically submit bills for partial payment of work performed under  
 30 the contract. Notwithstanding any other law, a contractor is entitled to  
 31 payment under this subsection for work performed under a contract if  
 32 the contractor:

33 (1) submits to the department a fully itemized, certified bill in the  
 34 form required by IC 5-11-10-1 for the costs of the work  
 35 performed under the contract;

36 (2) obtains from the department:

37 (A) approval of the form and amount of the bill; and

1 (B) a certification that the billed goods and services have been  
 2 received and comply with the contract; and

3 (3) files with the county auditor:

4 (A) a duplicate copy of the bill submitted to the department;

5 (B) proof of the department's approval of the form and amount  
 6 of the bill; and

7 (C) the department's certification that the billed goods and  
 8 services have been received and comply with the contract.

9 The department's approval and certification of a bill under subdivision  
 10 (2) shall be treated as conclusively resolving the merits of a contractor's  
 11 claim. Upon receipt of the documentation described in subdivision (3),  
 12 the county auditor shall immediately certify that the bill is true and  
 13 correct without further audit, publish the claim as required by  
 14 IC 36-2-6-3, and submit the claim to the county executive. The county  
 15 executive shall allow the claim, in full, as approved by the department,  
 16 without further examination of the merits of the claim in a regular or  
 17 special session that is held not less than three (3) days and not more  
 18 than seven (7) days after the completion of the publication requirements  
 19 under IC 36-2-6-3. Upon allowance of the claim by the county  
 20 executive, the county auditor shall immediately issue a warrant or check  
 21 for the full amount of the claim approved by the department.  
 22 Compliance with this subsection constitutes compliance with section  
 23 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The  
 24 determination and payment of a claim in compliance with this  
 25 subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f)  
 26 and IC 36-2-6-9 do not apply to a claim submitted under this  
 27 subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a  
 28 claim in compliance with this subsection.

29 (m) Notwithstanding IC 4-13-2, a period of seven (7) days is  
 30 permitted for each of the following to review and act under IC 4-13-2  
 31 on a contract of the department entered into under this section:

32 (1) The commissioner of the Indiana department of administration.

33 (2) The director of the budget agency.

34 (3) The attorney general.

35 (n) If the money in a county's property reassessment fund is  
 36 insufficient to pay for a reassessment conducted under this section, the  
 37 department may increase the tax rate and tax levy of the county's

1 property reassessment fund to pay the cost and expenses related to the  
2 reassessment.

3 (o) The department or the contractor of the department shall use the  
4 land values determined under section 13.6 of this chapter **(before its**  
5 **repeal)** for a county subject to an order issued under this section to the  
6 extent that the department or the contractor finds that the land values  
7 reflect the true tax value of land, as determined under this article and the  
8 rules of the department. If the department or the contractor finds that  
9 the land values determined for the county under section 13.6 of this  
10 chapter **(before its repeal)** do not reflect the true tax value of land, the  
11 department or the contractor shall determine land values for the county  
12 that reflect the true tax value of land, as determined under this article  
13 and the rules of the department. Land values determined under this  
14 subsection shall be used to the same extent as if the land values had  
15 been determined under section 13.6 of this chapter **(before its repeal)**.  
16 The department or the contractor of the department shall notify the  
17 county's reassessment officials of the land values determined under this  
18 subsection.

19 (p) A contractor of the department may notify the department if:

20 (1) a county auditor fails to:

21 (A) certify the contractor's bill;

22 (B) publish the contractor's claim;

23 (C) submit the contractor's claim to the county executive; or

24 (D) issue a warrant or check for payment of the contractor's  
25 bill;

26 as required by subsection (l) at the county auditor's first legal  
27 opportunity to do so;

28 (2) a county executive fails to allow the contractor's claim as  
29 legally required by subsection (l) at the county executive's first  
30 legal opportunity to do so; or

31 (3) a person or an entity authorized to act on behalf of the county  
32 takes or fails to take an action, including failure to request an  
33 appropriation, and that action or failure to act delays or halts  
34 progress under this section for payment of the contractor's bill.

35 (q) The department, upon receiving notice under subsection (p)  
36 from a contractor of the department, shall:

37 (1) verify the accuracy of the contractor's assertion in the notice



1           that:

2           (A) a failure occurred as described in subsection (p)(1) or

3           (p)(2); or

4           (B) a person or entity acted or failed to act as described in

5           subsection (p)(3); and

6           (2) provide to the treasurer of state the department's approval

7           under subsection (l)(2)(A) of the contractor's bill with respect to

8           which the contractor gave notice under subsection (p).

9           (r) Upon receipt of the department's approval of a contractor's bill

10          under subsection (q), the treasurer of state shall pay the contractor the

11          amount of the bill approved by the department from money in the

12          possession of the state that would otherwise be available for distribution

13          to the county, including distributions from the property tax replacement

14          fund or distribution of admissions taxes or wagering taxes.

15          (s) The treasurer of state shall withhold from the money that would

16          be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b) or

17          any other law to a county described in a notice provided under

18          subsection (p) the amount of a payment made by the treasurer of state

19          to the contractor of the department under subsection (r). Money shall

20          be withheld first from the money payable to the county under

21          IC 6-1.1-21-4(b) and then from all other sources payable to the county.

22          (t) Compliance with subsections (p) through (s) constitutes

23          compliance with IC 5-11-10.

24          (u) IC 5-11-10-1.6(d) applies to the treasurer of state with respect

25          to the payment made in compliance with subsections (p) through (s).

26          This subsection and subsections (p) through (s) must be interpreted

27          liberally so that the state shall, to the extent legally valid, ensure that the

28          contractual obligations of a county subject to this section are paid.

29          Nothing in this section shall be construed to create a debt of the state.

30          (v) The provisions of this section are severable as provided in

31          IC 1-1-1-8(b).

32          (w) This section expires January 1, 2007.

33          SECTION 6. IC 6-1.1-4-40 IS ADDED TO THE INDIANA CODE

34          AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON

35          PASSAGE]: **Sec. 40. (a) As used in this section:**

36                 **(1) "Appendix C" refers to the Real Property Assessment**

37                 **Guidelines for 2002, Book 1, Appendix C, issued by the**

1 department of local government finance;

2 (2) "Appendix G" refers to the Real Property Assessment  
3 Guidelines for 2002, Book 2, Appendix G, issued by the  
4 department of local government finance; and

5 (3) "location cost multiplier" means:

6 (A) any multiplier or factor designed to account in the real  
7 property assessment process for variances in construction  
8 costs among jurisdictions; or

9 (B) a multiplier or factor determined for the same  
10 purposes and in the same manner as a location cost  
11 multiplier;

12 (i) determined by a county assessor as described in  
13 Appendix C or Appendix G; or

14 (ii) contained in Table G-1 to Appendix C or Table G-1  
15 to Appendix G.

16 (b) A location cost multiplier may not be used in the  
17 assessment of real property for assessments after December 31,  
18 2008.

19 SECTION 7. IC 6-1.1-5.5-3, AS AMENDED BY P.L.1-2004,  
20 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 UPON PASSAGE]: Sec. 3. (a) Before filing a conveyance document  
22 with the county auditor under IC 6-1.1-5-4, all the parties to the  
23 conveyance must complete and sign a sales disclosure form as  
24 prescribed by the department of local government finance under section  
25 5 of this chapter. All the parties may sign one (1) form, or if all the  
26 parties do not agree on the information to be included on the completed  
27 form, each party may sign and file a separate form.

28 (b) Except as provided in subsection (c), the auditor shall forward  
29 each sales disclosure form to the county assessor. The county assessor  
30 shall retain the forms for five (5) years. The county assessor shall  
31 forward the sales disclosure form data to the department of local  
32 government finance and the legislative services agency:

33 (1) before January 1, 2005, in an electronic format, if possible;  
34 and

35 (2) after December 31, 2004, in an electronic format specified  
36 jointly by the department of local government finance and the

1 legislative services agency.  
 2 The county assessor shall forward a copy of the sales disclosure forms  
 3 to the township assessors in the county. The forms may be used by the  
 4 county assessing officials, the department of local government finance,  
 5 and the legislative services agency for ~~the purposes established in~~  
 6 ~~IC 6-1.1-4-13-6~~, sales ratio studies, equalization, adoption of rules under  
 7 IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

8 (c) In a county containing a consolidated city, the auditor shall  
 9 forward the sales disclosure form to the appropriate township assessor.  
 10 The township assessor shall forward the sales disclosure form to the  
 11 department of local government finance and the legislative services  
 12 agency:

- 13 (1) before January 1, 2005, in an electronic format, if possible;
- 14 and
- 15 (2) after December 31, 2004, in an electronic format specified
- 16 jointly by the department of local government finance and the
- 17 legislative services agency.

18 The township assessor shall forward a copy of the sales disclosure  
 19 forms to the township assessors in the county. The forms may be used  
 20 by the county assessing officials, the department of local government  
 21 finance, and the legislative services agency for ~~the purposes established~~  
 22 ~~in IC 6-1.1-4-13-6~~, sales ratio studies, equalization, adoption of rules  
 23 under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized  
 24 purpose."

25 Page 1, line 9, delete "2004 or" and insert "**2006**".

26 Page 1, delete line 10, begin a new paragraph and insert:

27 "SECTION 9. IC 6-1.1-13-1 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~The powers~~  
 29 ~~granted to each county property tax assessment board of appeals under~~  
 30 ~~this chapter apply only to the tangible property assessments made with~~  
 31 ~~respect to the last preceding assessment date.~~ Before a county property  
 32 tax assessment board of appeals changes any valuation or adds any  
 33 tangible property and the value of it to a return or the assessment rolls  
 34 under this chapter, the board shall give prior notice by mail to the  
 35 taxpayer. The notice must state a time when and place where the  
 36 taxpayer may appear before the board. The time stated in the notice  
 37 must be at least ten (10) days after the date the notice is mailed.

SECTION 10. IC 6-1.1-13-6, AS AMENDED BY P.L.256-2003, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A county assessor shall inquire into the assessment of the classes of tangible property in the various townships of the county:

(1) after March 1 in the year in which ~~the~~ a general reassessment of real property becomes effective under IC 6-1.1-4-4; or

(2) in other years under the rules of the department of local government finance pertaining to:

(A) equalization under IC 6-1.1-14; and

(B) annual adjustments under IC 6-1.1-4-4.5.

The county assessor shall make any changes, whether increases or decreases, in the assessed values which are necessary in order to equalize these values in and between the various townships of the county. In addition, the county assessor shall determine the percent to be added to or deducted from the assessed values in order to make a just, equitable, and uniform equalization of assessments in and between the townships of the county.

SECTION 11. IC 6-1.1-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) If a county assessor proposes to change assessments under section 6 of this chapter, the property tax assessment board of appeals shall hold a hearing on the proposed changes:

(1) before July 15 in ~~the~~ a year in which a general assessment ~~is to commence;~~ becomes effective; or

(2) in other years under the rules of the department of local government finance pertaining to:

(A) equalization under IC 6-1.1-14; and

(B) annual adjustments under IC 6-1.1-4-4.5.

(b) It is sufficient notice of ~~the~~ a hearing under subsection (a) and of any changes in assessments ordered by the board subsequent to the hearing if the board gives notice by publication once either in:

(1) two (2) newspapers which represent different political parties and which are published in the county; or

(2) one (1) newspaper only, if two (2) newspapers which represent different political parties are not published in the county.

SECTION 12. IC 6-1.1-14-4, AS AMENDED BY P.L.90-2002, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The department of local government finance shall review the assessments of all tangible property made by the various counties of this state. **The department of local government finance may employ qualified professional appraisers and other professionals to assist in the review.** If the department of local government finance determines that the assessment of a county appears to be improper, the department shall mail a certified notice to the auditor of the county informing the auditor of the department's determination to consider the modification of that county's assessment. The notice shall state whether the modification to be considered is related to real property, personal property, or both. The notice shall also state a day, at least ten (10) days after the day the notice is mailed, when a hearing on the assessment will be held. In addition to the notice to the county auditor, the department of local government finance shall give the notice, if any, required under section 9(a) of this chapter.

SECTION 13. IC 6-1.1-15-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. (a) This section applies to an assessment of real property used as residential property for an assessment date after February 28, 2002.**

**(b) Notwithstanding IC 6-1.1-31-6(c), for purposes of:**

**(1) a review or an appeal under this chapter; or**

**(2) a hearing or an appeal under IC 6-1.1-4;**

**a taxpayer may state as a basis for the review that the assessed value determined by the assessing officials for the property exceeds the property's fair market value on the determination date used to value the property under the rules of the department of local government finance. If a taxpayer presents competent evidence of the property's fair market value in a review, the property shall be assessed at a value that does not exceed its fair market value.**

SECTION 14. IC 6-1.1-17-1, AS AMENDED BY P.L.90-2002, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the

1 county auditor shall send a certified statement, under the seal of the  
 2 board of county commissioners **and in the form required by the**  
 3 **department of local government finance**, to the fiscal officer of each  
 4 political subdivision of the county and the department of local  
 5 government finance. The statement shall contain:

- 6 (1) information concerning the assessed valuation in the political  
 7 subdivision for the next calendar year;
- 8 (2) an estimate of the taxes to be distributed to the political  
 9 subdivision during the last six (6) months of the current calendar  
 10 year;
- 11 (3) the current assessed valuation as shown on the abstract of  
 12 charges;
- 13 (4) the average growth in assessed valuation in the political  
 14 subdivision over the preceding three (3) budget years, excluding  
 15 years in which a general reassessment occurs, determined  
 16 according to procedures established by the department of local  
 17 government finance; and
- 18 (5) any other information at the disposal of the county auditor that  
 19 might affect the assessed value used in the budget adoption  
 20 process.

21 (b) The estimate of taxes to be distributed shall be based on:

- 22 (1) the abstract of taxes levied and collectible for the current  
 23 calendar year, less any taxes previously distributed for the  
 24 calendar year; and
- 25 (2) any other information at the disposal of the county auditor  
 26 which might affect the estimate.

27 (c) The fiscal officer of each political subdivision shall present the  
 28 county auditor's statement to the proper officers of the political  
 29 subdivision.

30 SECTION 15. IC 6-1.1-19-1.5, AS AMENDED BY P.L.1-2004,  
 31 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2004]: Sec. 1.5. (a) The following definitions apply throughout  
 33 this section and IC 21-3-1.7:

- 34 (1) "Adjustment factor" means the adjustment factor determined  
 35 by the department of local government finance for a school  
 36 corporation under IC 6-1.1-34.
- 37 (2) "Adjusted target property tax rate" means:

1 (A) the school corporation's target general fund property tax  
 2 rate determined under IC 21-3-1.7-6.8; multiplied by

3 (B) the school corporation's adjustment factor.

4 (3) "Previous year property tax rate" means the school  
 5 corporation's previous year general fund property tax rate after the  
 6 reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and  
 7 IC 21-3-1.7-5(3).

8 (b) Except as otherwise provided in this chapter, a school  
 9 corporation may not, for a calendar year beginning after December 31,  
 10 2004, impose a general fund ad valorem property tax levy which  
 11 exceeds the following:

12 STEP ONE: Determine the result of:

13 (A) the school corporation's adjusted target property tax rate;  
 14 minus

15 (B) the school corporation's previous year property tax rate.

16 STEP TWO: If the school corporation's adjusted target property  
 17 tax rate:

18 (A) exceeds the school corporation's previous year property  
 19 tax rate, perform the calculation under STEP THREE and not  
 20 under STEP FOUR;

21 (B) is less than the school corporation's previous year property  
 22 tax rate, perform the calculation under STEP FOUR and not  
 23 under STEP THREE; or

24 (C) equals the school corporation's previous year property tax  
 25 rate, determine the levy resulting from using the school  
 26 corporation's adjusted target property tax rate and do not  
 27 perform the calculation under STEP THREE or STEP FOUR.

28 STEP THREE: Determine the levy resulting from using the school  
 29 corporation's previous year property tax rate after increasing the  
 30 rate by the lesser of:

31 (A) the STEP ONE result; or

32 (B) five cents (\$0.05).

33 STEP FOUR: Determine the levy resulting from using the school  
 34 corporation's previous year property tax rate after reducing the  
 35 rate by the lesser of:

36 (A) the absolute value of the STEP ONE result; or

37 (B) five cents (\$0.05).

1 STEP FIVE: Determine the result of:

2 (A) the STEP TWO (C), STEP THREE, or STEP FOUR result,  
3 whichever applies; plus

4 (B) an amount equal to the annual decrease in federal aid to  
5 impacted areas from the year preceding the ensuing calendar  
6 year by three (3) years to the year preceding the ensuing  
7 calendar year by two (2) years.

8 The maximum levy is to include the portion of any excessive levy  
9 and the levy for new facilities.

10 STEP SIX: Determine the result of:

11 (A) the STEP FIVE result; plus

12 (B) the product of:

13 (i) the weighted average of the amounts determined under  
14 IC 21-3-1.7-6.7(e) STEP NINE for all charter schools  
15 attended by students who have legal settlement in the school  
16 corporation; multiplied by

17 (ii) thirty-five hundredths (0.35).

18 In determining the number of students for purposes of this  
19 STEP, each kindergarten pupil shall be counted as one-half  
20 (1/2) pupil.

21 The result determined under this STEP may not be included in the  
22 school corporation's adjusted base levy for the year following the  
23 year in which the result applies or in the school corporation's  
24 determination of tuition support.

25 (c) For purposes of this section, "total assessed value" with respect  
26 to a school corporation means the total assessed value of all taxable  
27 property for ad valorem property taxes first due and payable during that  
28 year.

29 (d) The department of local government finance shall annually  
30 establish an assessment ratio and adjustment factor for each school  
31 corporation to be used upon the review and recommendation of the  
32 budget committee. The information compiled, including background  
33 documentation, may not be used in a:

34 (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13,  
35 IC 6-1.1-14, or IC 6-1.1-15;

36 (2) petition for a correction of error under IC 6-1.1-15-12; or

37 (3) petition for refund under IC 6-1.1-26.



(e) All tax rates shall be computed by rounding the rate to the nearest ~~one-hundredth~~ **ten-thousandth** of a cent (~~\$0.0001~~) **(\$0.000001)**. All tax levies shall be computed by rounding the levy to the nearest dollar amount.

(f) For the calendar year beginning January 1, 2004, and ending December 31, 2004, a school corporation may impose a general fund ad valorem property tax levy in the amount determined under STEP EIGHT of the following formula:

STEP ONE: Determine the quotient of:

(A) the school corporation's 2003 assessed valuation; divided by

(B) the school corporation's 2002 assessed valuation.

STEP TWO: Determine the greater of zero (0) or the difference between:

(A) the STEP ONE amount; minus

(B) one (1).

STEP THREE: Determine the lesser of eleven-hundredths (0.11) or the product of:

(A) the STEP TWO amount; multiplied by

(B) eleven-hundredths (0.11).

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) one (1).

STEP FIVE: Determine the product of:

(A) the STEP FOUR amount; multiplied by

(B) the school corporation's general fund ad valorem property tax levy for calendar year 2003.

STEP SIX: Determine the lesser of:

(A) the STEP FIVE amount; or

(B) the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by five cents (\$0.05).

STEP SEVEN: Determine the result of:

(A) the STEP SIX amount; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing

1           calendar year by two (2) years.

2           The maximum levy is to include the part of any excessive levy and

3           the levy for new facilities.

4           STEP EIGHT: Determine the result of:

5           (A) the STEP SEVEN result; plus

6           (B) the product of:

7           (i) the weighted average of the amounts determined under

8           IC 21-3-1.7-6.7(e) STEP NINE for all charter schools

9           attended by students who have legal settlement in the school

10          corporation; multiplied by

11          (ii) thirty-five hundredths (0.35).

12          In determining the number of students for purposes of this

13          STEP, each kindergarten pupil shall be counted as one-half

14          (1/2) pupil.

15          The result determined under this STEP may not be included in the

16          school corporation's adjusted base levy for the year following the

17          year in which the result applies or in the school corporation's

18          determination of tuition support.

19          SECTION 16. IC 6-1.1-21-4, AS AMENDED BY P.L.245-2003,

20          SECTION 19, AND AS AMENDED BY P.L.264-2003, SECTION 12,

21          IS CORRECTED AND AMENDED TO READ AS FOLLOWS

22          [[EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department

23          shall allocate from the property tax replacement fund an amount equal

24          to the sum of:

25          (1) each county's total eligible property tax replacement amount

26          for that year; plus

27          (2) the total amount of homestead tax credits that are provided

28          under IC 6-1.1-20.9 and allowed by each county for that year;

29          plus

30          (3) an amount for each county that has one (1) or more taxing

31          districts that contain all or part of an economic development

32          district that meets the requirements of section 5.5 of this chapter.

33          This amount is the sum of the amounts determined under the

34          following STEPS for all taxing districts in the county that contain

35          all or part of an economic development district:

36          STEP ONE: Determine that part of the sum of the amounts

37          under section 2(g)(1)(A) and 2(g)(2) of this chapter that is

1           attributable to the taxing district.

2           STEP TWO: Divide:

3           (A) that part of the subdivision (1) amount that is attributable  
4           to the taxing district; by

5           (B) the STEP ONE sum.

6           STEP THREE: Multiply:

7           (A) the STEP TWO quotient; times

8           (B) the taxes levied in the taxing district that are allocated to  
9           a special fund under IC 6-1.1-39-5.

10          (b) Except as provided in subsection (e), between March 1 and  
11          August 31 of each year, the department shall distribute to each county  
12          treasurer from the property tax replacement fund one-half (1/2) of the  
13          estimated distribution for that year for the county. Between September  
14          1 and December 15 of that year, the department shall distribute to each  
15          county treasurer from the property tax replacement fund the remaining  
16          one-half (1/2) of each estimated distribution for that year. The amount  
17          of the distribution for each of these periods shall be according to a  
18          schedule determined by the property tax replacement fund board under  
19          section 10 of this chapter. The estimated distribution for each county  
20          may be adjusted from time to time by the department to reflect any  
21          changes in the total county tax levy upon which the estimated  
22          distribution is based.

23          (c) On or before December 31 of each year or as soon thereafter as  
24          possible, the department shall make a final determination of the amount  
25          which should be distributed from the property tax replacement fund to  
26          each county for that calendar year. This determination shall be known  
27          as the final determination of distribution. The department shall distribute  
28          to the county treasurer or receive back from the county treasurer any  
29          deficit or excess, as the case may be, between the sum of the  
30          distributions made for that calendar year based on the estimated  
31          distribution and the final determination of distribution. The final  
32          determination of distribution shall be based on the auditor's abstract filed  
33          with the auditor of state, adjusted for postabstract adjustments included  
34          in the December settlement sheet for the year, and such additional  
35          information as the department may require.

36          (d) All distributions provided for in this section shall be made on  
37          warrants issued by the auditor of state drawn on the treasurer of state.

If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (i), the ~~department auditor of state~~ shall not distribute to a county treasurer two percent (2%) of the money otherwise distributable under subsection (b), subsection (c), and section 10 of this chapter ~~the money attributable to the county's property reassessment fund~~ if:

(1) by the date the distribution is scheduled to be made, ~~(1)~~ the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance; ~~or~~

(2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section; ~~or~~

~~(2)~~ (3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a).

The auditor of state shall consider the provision of information referred to in this subsection to be untimely if the department notifies the auditor of state in writing that information provided is inaccurate, incomplete, or, with respect to information referred to in subdivisions (1) and (2), not in the form required by the department of local government finance. The withholding under this subsection of two percent (2%) of money otherwise distributable under section 10 of this chapter applies separately to each distribution referred to in section 10(b) of this chapter.

(f) Except as provided in subsection (i), if the elected township

assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b), the ~~state board or the department auditor of state~~ shall not distribute to the **county treasurer two percent (2%) of the money otherwise distributable to the county treasurer** under subsection (b), subsection (c), and section 10 of this chapter. ~~a part of the money attributable to the county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by August 1 October 1 as described in this section bears to the total number of townships in the county.~~

(g) Money not distributed ~~under subsection (e) for the reasons stated in subsection (e)(1), and (e)(2), and (e)(3)~~ shall be distributed to the county when:

(1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; ~~and~~

(2) **the county auditor transmits data as required under IC 36-2-9-20; and**

(3) *the county assessor forwards to the department of local government finance the approved exemption applications required to be forwarded under IC 6-1.1-11-8(a);*

with respect to which the failure to send, **transmit**, or forward resulted in the withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f).

(i) The restrictions on distributions under subsections (e) and (f) do not apply if the department of local government finance determines that:

(1) the failure of:

- 1           (A) a county auditor to send a certified statement; *or*  
 2           (B) a county assessor to forward copies of all approved  
 3           exemption applications;  
 4           as described in subsection (e); or  
 5           (2) the failure of an official to transmit data as described in  
 6           subsection (f);  
 7           is justified by unusual circumstances.

8           SECTION 17. IC 6-1.1-34-9, AS AMENDED BY P.L.90-2002,  
 9           SECTION 244, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10          UPON PASSAGE]: Sec. 9. In order to perform the duties assigned to  
 11          it under this chapter, the department of local government finance:

- 12          (1) shall conduct continuing studies of all property which is  
 13          subject to assessment in this state;  
 14          (2) may request access to all local and state official records;  
 15          (3) may secure information from the federal government or from  
 16          public or private agencies;  
 17          (4) **may:**  
 18                (A) **contract with; and**  
 19                (B) **rely on findings made by:**  
 20                **the Indiana Fiscal Policy Institute and professional**  
 21                **appraisers;**  
 22          (5) may inspect a person's books, records, or property if the item  
 23          is relevant to information which the department needs in order to  
 24          implement this chapter; and  
 25          ~~(5)~~ (6) may adopt appropriate forms and procedures.

26          SECTION 18. IC 6-2.3-9 IS ADDED TO THE INDIANA CODE AS  
 27          A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 28          2004]:

29          **Chapter. 9. Supplemental Utility Receipts Tax**

30          **Sec. 1. Except as provided in this chapter, IC 6-2.3-1 through**  
 31          **IC 6-2.3-8 apply to the supplemental utility receipts tax imposed**  
 32          **under this chapter.**

33          **Sec. 2. The receipt of taxable gross receipts from transactions**  
 34          **is subject to a tax rate of one and two tenths percent (1.2%).**

35          **Sec. 3. On or before the fifth day of each month, the total**  
 36          **amount of supplemental utility tax revenues received by the**

1 department in the immediately preceding month shall be  
 2 deposited in the property tax replacement fund established by  
 3 IC 6-1.1-21-1.

4 Sec. 4. (a) This subsection applies after December 31, 2004. The  
 5 department, with the assistance of the department of local  
 6 government finance, shall determine before January 15 of each  
 7 calendar year for each county the quotient of:

8 (1) the assessed value of all tangible property subject to  
 9 assessment in the county in the immediately preceding  
 10 calendar year under IC 6-1.1-8 owned by all public utility  
 11 companies and subject to property taxes under IC 6-1.1;  
 12 divided by

13 (2) the assessed value of all tangible property subject to  
 14 assessment in the state in the immediately preceding  
 15 calendar year under IC 6-1.1-8 owned by all public utility  
 16 companies and subject to property taxes under IC 6-1.1.

17 (b) The department shall immediately notify the auditor of  
 18 state of the quotient determined under subsection (a).

19 (c) The auditor of state shall deposit in an account for the  
 20 county in the property tax replacement fund established by  
 21 IC 6-1.1-21-1 the product of:

22 (1) the total deposits in the fund in the immediately  
 23 preceding calendar year under section 3 of this chapter;  
 24 multiplied by

25 (2) the quotient determined under subsection (a).

26 (d) The auditor of state shall distribute annually to the  
 27 treasurer of a county at the same time that distributions are made  
 28 to the county under IC 6-1.1-21-10 an amount equal to the  
 29 balance in the county's account referred to in subsection (c) as of  
 30 December 31 of the immediately preceding calendar year.

31 Sec. 5. The county treasurer shall allocate to each taxing  
 32 district in the county each calendar year a part of the distributions  
 33 received under section 4(d) in an amount determined by the  
 34 department of local government finance to offset the amount of  
 35 supplemental homestead credits allowed in the taxing district

1 under section 6 of this chapter.

2 **Sec. 6. A county that receives a distribution under section 4(d)**  
 3 **of this chapter shall apply supplemental homestead credits in the**  
 4 **county. A supplemental homestead credit:**

5 **(1) applies to each homestead (as defined in IC 6-1.1-20.9-1)**  
 6 **in the county; and**

7 **(2) is in addition to the homestead credit under IC 6-1.1-20.9.**

8 **Sec. 7. The department of local government finance shall:**

9 **(1) determine the percentage of supplemental homestead**  
 10 **credit that applies in each taxing district in the county; and**

11 **(2) calculate the percentage under subdivision (1) in an**  
 12 **amount that results in the reduction of net property taxes**  
 13 **imposed on homesteads in each taxing district that is**  
 14 **proportional to the increase in the last preceding general**  
 15 **reassessment of real property under IC 6-1.1-4 in the taxing**  
 16 **district in:**

17 **(A) the total assessed value of homesteads; as compared**  
 18 **to**

19 **(B) the total assessed value of all tangible property subject**  
 20 **to assessment in the immediately preceding calendar year**  
 21 **under IC 6-1.1-8 owned by all public utility companies and**  
 22 **subject to property taxes under IC 6-1.1.**

23 **SECTION 19. IC 6-3.5-1.1-12, AS AMENDED BY P.L.90-2002,**  
 24 **SECTION 293, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**  
 25 **UPON PASSAGE]: Sec. 12. (a) The part of a county's certified**  
 26 **distribution for a calendar year that is to be used as property tax**  
 27 **replacement credits shall be allocated by the county auditor among the**  
 28 **civil taxing units and school corporations of the county.**

29 **(b) Except as provided in section 13 of this chapter, the amount of**  
 30 **property tax replacement credits that each civil taxing unit and school**  
 31 **corporation in a county is entitled to receive during a calendar year**  
 32 **equals the product of:**

33 **(1) that part of the county's certified distribution that is dedicated**  
 34 **to providing property tax replacement credits for that same**  
 35 **calendar year; multiplied by**

36 **(2) a fraction:**



1 (A) The numerator of the fraction equals the sum of the total  
 2 property taxes ~~being that were certified to be~~ collected by the  
 3 civil taxing unit or school corporation ~~during that in the~~  
 4 **immediately preceding** calendar year, **as provided in the**  
 5 **approved abstract for the immediately preceding calendar**  
 6 **year**, plus with respect to a civil taxing unit, the amount of  
 7 federal revenue sharing funds and certified shares received by  
 8 it during ~~that the~~ **immediately preceding** calendar year to the  
 9 extent that they ~~are were~~ used to reduce its property tax levy  
 10 below the limit imposed by IC 6-1.1-18.5 for that same  
 11 calendar year.

12 (B) The denominator of the fraction equals the sum of the total  
 13 property taxes ~~being that were certified to be~~ collected by all  
 14 civil taxing units and school corporations **in the immediately**  
 15 **preceding calendar year, as provided in the approved**  
 16 **abstract for the immediately preceding calendar year**, plus  
 17 the amount of federal revenue sharing funds and certified  
 18 shares received by all civil taxing units in the county to the  
 19 extent that they ~~are were~~ used to reduce the civil taxing units'  
 20 property tax levies below the limits imposed by IC 6-1.1-18.5  
 21 for that same calendar year.

22 (c) The department of local government finance shall provide each  
 23 county auditor with the amount of property tax replacement credits that  
 24 each civil taxing unit and school corporation in the auditor's county is  
 25 entitled to receive. The county auditor shall then certify to each civil  
 26 taxing unit and school corporation the amount of property tax  
 27 replacement credits it is entitled to receive (after adjustment made under  
 28 section 13 of this chapter) during that calendar year. The county auditor  
 29 shall also certify these distributions to the county treasurer.

30 SECTION 20. IC 6-3.5-1.1-15, AS AMENDED BY P.L.255-2003,  
 31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 UPON PASSAGE]: Sec. 15. (a) As used in this section, "attributed levy"  
 33 of a civil taxing unit means the sum of:

34 (1) the ad valorem property tax levy of the civil taxing unit that ~~is~~  
 35 ~~currently being~~ **was certified to be** collected ~~at the time the~~  
 36 ~~allocation is made;~~ **in the immediately preceding calendar year,**

1       **as provided in the approved abstract for the immediately**  
 2       **preceding calendar year; plus**

3       (2) the ~~current~~ ad valorem property tax levy **in the immediately**  
 4       **preceding calendar year, as provided in the approved abstract**  
 5       **for the immediately preceding calendar year**, of any special  
 6       taxing district, authority, board, or other entity formed to  
 7       discharge governmental services or functions on behalf of or  
 8       ordinarily attributable to the civil taxing unit; plus

9       (3) the amount of federal revenue sharing funds and certified  
 10       shares that were used by the civil taxing unit (or any special taxing  
 11       district, authority, board, or other entity formed to discharge  
 12       governmental services or functions on behalf of or ordinarily  
 13       attributable to the civil taxing unit) to reduce its ad valorem  
 14       property tax levies below the limits imposed by IC 6-1.1-18.5;  
 15       plus

16       (4) in the case of a county, an amount equal to the property taxes  
 17       imposed by the county in 1999 for the county's welfare fund and  
 18       welfare administration fund.

19       (b) The part of a county's certified distribution that is to be used as  
 20       certified shares shall be allocated only among the county's civil taxing  
 21       units. Each civil taxing unit of a county is entitled to receive a  
 22       percentage of the certified shares to be distributed in the county equal  
 23       to the ratio of its attributed levy to the total attributed levies of all civil  
 24       taxing units of the county.

25       (c) The local government tax control board established by  
 26       IC 6-1.1-18.5-11 shall determine the attributed levies of civil taxing  
 27       units that are entitled to receive certified shares during a calendar year.  
 28       If the ad valorem property tax levy of any special taxing district,  
 29       authority, board, or other entity is attributed to another civil taxing unit  
 30       under subsection (b)(2), then the special taxing district, authority,  
 31       board, or other entity shall not be treated as having an attributed levy of  
 32       its own. The local government tax control board shall certify the  
 33       attributed levy amounts to the appropriate county auditor. The county  
 34       auditor shall then allocate the certified shares among the civil taxing  
 35       units of the auditor's county.

36       (d) Certified shares received by a civil taxing unit shall be treated as  
 37       additional revenue for the purpose of fixing its budget for the calendar

1 year during which the certified shares will be received. The certified  
 2 shares may be allocated to or appropriated for any purpose, including  
 3 property tax relief or a transfer of funds to another civil taxing unit  
 4 whose levy was attributed to the civil taxing unit in the determination of  
 5 its attributed levy.

6 SECTION 21. IC 6-3.5-6-18, AS AMENDED BY P.L.255-2003,  
 7 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 UPON PASSAGE]: Sec. 18. (a) The revenue a county auditor receives  
 9 under this chapter shall be used to:

- 10 (1) replace the amount, if any, of property tax revenue lost due to
- 11 the allowance of an increased homestead credit within the county;
- 12 (2) fund the operation of a public communications system and
- 13 computer facilities district as provided in an election, if any, made
- 14 by the county fiscal body under IC 36-8-15-19(b);
- 15 (3) fund the operation of a public transportation corporation as
- 16 provided in an election, if any, made by the county fiscal body
- 17 under IC 36-9-4-42;
- 18 (4) make payments permitted under IC 36-7-15.1-17.5;
- 19 (5) make payments permitted under subsection (i); and
- 20 (6) make distributions of distributive shares to the civil taxing units
- 21 of a county.

22 (b) The county auditor shall retain from the payments of the  
 23 county's certified distribution, an amount equal to the revenue lost, if  
 24 any, due to the increase of the homestead credit within the county. This  
 25 money shall be distributed to the civil taxing units and school  
 26 corporations of the county as though they were property tax collections  
 27 and in such a manner that no civil taxing unit or school corporation shall  
 28 suffer a net revenue loss due to the allowance of an increased  
 29 homestead credit.

30 (c) The county auditor shall retain the amount, if any, specified by  
 31 the county fiscal body for a particular calendar year under subsection  
 32 (i), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the  
 33 county's certified distribution for that same calendar year. The county  
 34 auditor shall distribute amounts retained under this subsection to the  
 35 county.

36 (d) All certified distribution revenues that are not retained and  
 37 distributed under subsections (b) and (c) shall be distributed to the civil

1 taxing units of the county as distributive shares.

2 (e) The amount of distributive shares that each civil taxing unit in a  
3 county is entitled to receive during a month equals the product of the  
4 following:

5 (1) The amount of revenue that is to be distributed as distributive  
6 shares during that month; multiplied by

7 (2) A fraction. The numerator of the fraction equals the total  
8 property taxes that ~~are first due and payable to~~ **were certified to**  
9 **be collected by** the civil taxing unit ~~during in~~ **the immediately**  
10 **preceding** calendar year, ~~in which the month falls,~~ **as provided in**  
11 **the approved abstract for the immediately preceding calendar**  
12 **year,** plus, for a county, an amount equal to the property taxes  
13 imposed by the county in 1999 for the county's welfare fund and  
14 welfare administration fund. The denominator of the fraction  
15 equals the sum of the total property taxes that ~~are first due and~~  
16 ~~payable to~~ **were certified to be collected by** all civil taxing units  
17 of the county during the **immediately preceding** calendar year,  
18 ~~in which the month falls,~~ **as provided in the approved abstract**  
19 **for the immediately preceding calendar year,** plus an amount  
20 equal to the property taxes imposed by the county in 1999 for the  
21 county's welfare fund and welfare administration fund.

22 (f) The department of local government finance shall provide each  
23 county auditor with the fractional amount of distributive shares that  
24 each civil taxing unit in the auditor's county is entitled to receive  
25 monthly under this section.

26 (g) Notwithstanding subsection (e), if a civil taxing unit of an  
27 adopting county does not impose a property tax levy that is first due  
28 and payable in a calendar year in which distributive shares are being  
29 distributed under this section, that civil taxing unit is entitled to receive  
30 a part of the revenue to be distributed as distributive shares under this  
31 section within the county. The fractional amount such a civil taxing unit  
32 is entitled to receive each month during that calendar year equals the  
33 product of the following:

34 (1) The amount to be distributed as distributive shares during that  
35 month; multiplied by

36 (2) A fraction. The numerator of the fraction equals the budget of  
37 that civil taxing unit for that calendar year. The denominator of the

fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

SECTION 22. IC 6-3.5-7-12, AS AMENDED BY P.L.224-2003, SECTION 255, AND AS AMENDED BY P.L.255-2003, SECTION 6, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in sections 23, 25, ~~and~~ 26, ~~and~~ 27 of this chapter, the county auditor shall distribute in the manner specified in this section the certified distribution to the county.

(b) Except as provided in subsections (c) and (h) and sections 15 and 25 of this chapter, the amount of the certified distribution that the county and each city or town in a county is entitled to receive during May and November of each year equals the product of the following:

(1) The amount of the certified distribution for that month; multiplied by

(2) A fraction. The numerator of the fraction equals the sum of the following:

(A) Total property taxes that ~~are first due and payable to~~ **were certified to be collected by** the county, city, or town during the **immediately preceding** calendar year, ~~in which the month falls;~~ **as provided in the approved abstract for the**

1 **immediately preceding calendar year; plus**

2 (B) For a county, an amount equal to

3 ~~(i) the property taxes imposed by the county in 1999 for the~~  
 4 ~~county's welfare fund and welfare administration fund. *plus*~~  
 5 ~~(ii) after December 31, 2004, the greater of zero (0) or the~~  
 6 ~~difference between the county hospital care for the indigent~~  
 7 ~~property tax levy imposed by the county in 2004, adjusted~~  
 8 ~~each year after 2004 by the statewide average assessed value~~  
 9 ~~growth quotient described in IC 12-16-14-3, minus the~~  
 10 ~~current uninsured parents program property tax levy imposed~~  
 11 ~~by the county.~~

12 The denominator of the fraction equals the sum of the total  
 13 property taxes that **are first due and payable to were certified to**  
 14 **by collected by** the county and all cities and towns of the county  
 15 during the **immediately preceding** calendar year, ~~in which the~~  
 16 ~~month falls, as provided in the approved abstract for the~~  
 17 **immediately preceding calendar year**, plus an amount equal to  
 18 the property taxes imposed by the county in 1999 for the county's  
 19 welfare fund and welfare administration fund. ~~and after December~~  
 20 ~~31, 2004, the greater of zero (0) or the difference between the~~  
 21 ~~county hospital care for the indigent property tax levy imposed by~~  
 22 ~~the county in 2004, adjusted each year after 2004 by the statewide~~  
 23 ~~average assessed value growth quotient described in~~  
 24 ~~IC 12-16-14-3, minus the current uninsured parents program~~  
 25 ~~property tax levy imposed by the county.~~

26 (c) This subsection applies to a county council or county income tax  
 27 council that imposes a tax under this chapter after June 1, 1992. The  
 28 body imposing the tax may adopt an ordinance before July 1 of a year  
 29 to provide for the distribution of certified distributions under this  
 30 subsection instead of a distribution under subsection (b). The following  
 31 apply if an ordinance is adopted under this subsection:

32 (1) The ordinance is effective January 1 of the following year.

33 (2) Except as provided in sections 25 and 26 of this chapter, the  
 34 amount of the certified distribution that the county and each city  
 35 and town in the county is entitled to receive during May and  
 36 November of each year equals the product of:

37 (A) the amount of the certified distribution for the month;

1 multiplied by  
 2 (B) a fraction. For a city or town, the numerator of the  
 3 fraction equals the population of the city or the town. For a  
 4 county, the numerator of the fraction equals the population of  
 5 the part of the county that is not located in a city or town. The  
 6 denominator of the fraction equals the sum of the population of  
 7 all cities and towns located in the county and the population of  
 8 the part of the county that is not located in a city or town.

9 (3) The ordinance may be made irrevocable for the duration of  
 10 specified lease rental or debt service payments.

11 (d) The body imposing the tax may not adopt an ordinance under  
 12 subsection (c) if, before the adoption of the proposed ordinance, any  
 13 of the following have pledged the county economic development  
 14 income tax for any purpose permitted by IC 5-1-14 or any other statute:

15 (1) The county.

16 (2) A city or town in the county.

17 (3) A commission, a board, a department, or an authority that is  
 18 authorized by statute to pledge the county economic development  
 19 income tax.

20 (e) The department of local government finance shall provide each  
 21 county auditor with the fractional amount of the certified distribution  
 22 that the county and each city or town in the county is entitled to receive  
 23 under this section.

24 (f) Money received by a county, city, or town under this section  
 25 shall be deposited in the unit's economic development income tax fund.

26 (g) Except as provided in subsection (b)(2)(B), in determining the  
 27 fractional amount of the certified distribution the county and its cities  
 28 and towns are entitled to receive under subsection (b) during a calendar  
 29 year, the department of local government finance shall consider only  
 30 property taxes imposed on tangible property subject to assessment in  
 31 that county.

32 (h) In a county having a consolidated city, only the consolidated city  
 33 is entitled to the certified distribution, subject to the requirements of  
 34 sections 15, 25, and 26 of this chapter.

35 SECTION 23. IC 21-3-1.7-7, AS AMENDED BY P.L.273-1999,  
 36 SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2004]: Sec. 7. If a computation under this chapter results in a

fraction and a rounding rule is not specified, the fraction shall be rounded as follows:

- (1) If it is a tax rate calculation, to the nearest ~~one-hundredth~~ **ten-thousandth** of a cent (~~(\$0.0001)~~; **(\$0.000001)**).
- (2) If it is a tuition support calculation, to the nearest cent (\$0.01).
- (3) If it is a calculation not covered by subdivision (1) or (2), to the nearest ten-thousandth (.0001).

SECTION 24. IC 36-2-9-20, AS AMENDED BY P.L.245-2003, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. The county auditor shall:

- (1) maintain an electronic data file of the information contained on the tax duplicate for all:
  - (A) parcels; and
  - (B) personal property returns;
 for each township in the county as of each assessment date;
- (2) maintain the file in the form required by:
  - (A) the legislative services agency; and
  - (B) the department of local government finance; and
- (3) transmit **to the legislative services agency and the department of local government finance** the data in the file with respect to the assessment date of each year **in the form required by the department of local government finance** before **the later of:**
  - (A) March 1 of the next year; ~~to~~
  - (A) ~~the legislative services agency; and or~~
  - (B) ~~the department of local government finance.~~ **thirty (30) days after the county mails its initial statement under IC 6-1.1-22-8.**

SECTION 25. [EFFECTIVE JULY 1, 2003 (RETROACTIVE)] (a) **For purposes of this SECTION:**

- (1) "department" refers to the department of local government finance;
- (2) "district" refers to a solid waste management district that has territory in more than one (1) county; and
- (3) "2004 levy" refers to the least of:
  - (A) the district's maximum permissible levy under



- 1           **IC 6-1.1-18.5-3;**
- 2           **(B) the district's advertised levy; and**
- 3           **(C) the district's adopted levy;**
- 4           **for 2003 taxes payable in 2004.**
- 5       **(b) Notwithstanding:**
- 6           **(1) IC 13-21-7; or**
- 7           **(2) any action taken by a county or a district to fix a property**
- 8           **tax levy for 2003 taxes payable in 2004;**
- 9       **the department may, for each county that participates in a**
- 10       **district, determine under this SECTION the part of the district's**
- 11       **property tax levy under IC 13-21-3-12(13) for 2003 taxes payable**
- 12       **in 2004 to be levied in the county.**
- 13       **(c) The amount of the part referred to in subsection (b) for a**
- 14       **county that participates in a district is the amount that bears the**
- 15       **same proportion to the 2004 levy that the certified assessed value**
- 16       **of the county as of the 2002 assessment date bears to the total**
- 17       **certified assessed value as of the 2002 assessment date of all**
- 18       **counties that participate in the district.**
- 19       **(d) The department shall use the amount determined under**
- 20       **subsection (c) in setting the tax rate of the county.**
- 21       **(e) This SECTION expires July 1, 2005.**
- 22       **SECTION 26. [EFFECTIVE UPON PASSAGE] (a) For purposes**
- 23       **of this SECTION, "department" refers to the department of local**
- 24       **government finance.**
- 25       **(b) Except as provided in subsection (e), the auditor of state**
- 26       **shall not distribute to a county treasurer the part designated**
- 27       **under subsection (c) of the money otherwise distributable in July,**
- 28       **2004, under IC 6-1.1-21-4, as amended by this act, and**
- 29       **IC 6-1.1-21-10 if before July 1, 2004:**
- 30           **(1) the elected township assessors in the county, the elected**
- 31           **township assessors and the county assessor, or the county**
- 32           **assessor do not transmit to the department the data for all**
- 33           **townships in the county required to be transmitted before**
- 34           **October 1, 2003, under IC 6-1.1-4-25(b);**
- 35           **(2) the county assessor does not forward to the department**

1 the duplicate copies of all approved exemption applications  
2 required to be forwarded before August 2, 2003 under  
3 IC 6-1.1-11-8(a);

4 (3) the county auditor does not send to the department a  
5 certified statement required to be sent before August 2,  
6 2003, under IC 6-1.1-17-1 (as in effect before the  
7 amendments under this act); or

8 (4) the county auditor does not transmit to the department  
9 data required to be transmitted before March 1, 2003, under  
10 IC 36-2-9-20 (as in effect before the amendments under this  
11 act).

12 (c) The amount of money the auditor of state shall not  
13 distribute under subsection (b) equals the product of:

14 (1) two percent (2%); multiplied by

15 (2) the combined amounts of the distributions for March,  
16 April, and July, 2004, referred to in IC 6-1.1-21-10(b).

17 (d) Except as provided in subsection (g), the auditor of state  
18 shall not distribute to a county treasurer two percent (2%) of the  
19 money otherwise distributable after July, 2004, under  
20 IC 6-1.1-21-4, as amended by this act, and IC 6-1.1-21-10 if before  
21 the date of distribution the local officials referred to in subsection  
22 (b) have not provided all of the data and information referred to  
23 in subsection (b). The withholding under this subsection applies  
24 separately to each distribution referred to in IC 6-1.1-21-10(b).

25 (e) Amounts withheld from distribution to the county treasurer  
26 under this SECTION are in addition to any amounts withheld from  
27 distribution under IC 6-1.1-21-4(e) or IC 6-1.1-21-4(f), both as  
28 amended by this act, before deadlines in 2004 established in those  
29 sections for failure to provide data or information.

30 (f) The auditor of state shall consider the provision of  
31 information referred to in subsection (b) to be untimely if the  
32 department notifies the auditor of state in writing that  
33 information provided is inaccurate, incomplete, or, with respect to  
34 information referred to in subsection (b)(2), not in the form  
35 required by the department.

1       (g) The restrictions on distributions under subsection (b) do not  
 2       apply if the department determines that the failure to provide  
 3       information as referred to in subsection (b) is justified by unusual  
 4       circumstances.

5       (h) When local officials provide the data and information  
 6       referred to in subsection (b), money withheld under subsection (b)  
 7       shall be distributed under IC 6-1.1-21-4(g) and IC 6-1.1-21-4(h),  
 8       both as amended by this act.

9       (i) This SECTION expires January 1, 2006.

10       SECTION 27. [EFFECTIVE UPON PASSAGE] (a) The definitions  
 11       in IC 6-1.1-1 apply throughout this SECTION.

12       (b) This SECTION applies only to the review or appeal of an  
 13       assessment of real property used as residential property on an  
 14       assessment date.

15       (c) This subsection applies only if the time in which a taxpayer  
 16       is authorized to:

- 17           (1) request a review under IC 6-1.1-15-1 or IC 6-1.1-15-3; or
- 18           (2) initiate the informal hearing process under IC 6-1.1-4-33
- 19           or IC 6-1.1-4-36 that is a prerequisite to an appeal under
- 20           IC 6-1.1-4-34 or IC 6-1.1-4-37; or

- 21           (3) initiate an appeal under IC 6-1.1-4-34 or IC 6-1.1-4-37
- 22           after initiating a timely informal hearing process;

23       has elapsed before the effective date of this SECTION, for an  
 24       assessment date after February 28, 2002, and before March 1,  
 25       2004, and no review or appeal is pending on the effective date of  
 26       this SECTION. The taxpayer may request a review or initiate an  
 27       appeal under the appropriate provision of law before July 1, 2004,  
 28       even if the taxpayer has previously initiated a review or an appeal  
 29       for the same assessment date. The review or appeal is limited to  
 30       consideration of competent evidence necessary to establish the  
 31       fair market value of the property.

32       (d) If a timely initiated review or appeal is pending on the  
 33       effective date of this SECTION, a taxpayer may raise the issue of  
 34       the fair market value of the property in the review or an appeal  
 35       after the effective date of this SECTION without initiating a new

- 1       **review or appeal.**
- 2       **(e) An assessment change that results from a review or an**
- 3       **appeal subject to this SECTION applies to:**
- 4           **(1) the assessment date for which the review or an appeal is**
- 5           **initiated; and**
- 6           **(2) each subsequent assessment date for which:**
- 7               **(A) a new assessment is not determined under IC 6-1.1;**
- 8               **and**
- 9               **(B) there is not a review or an appeal of the assessment**
- 10           **under:**
- 11               **(i) IC 6-1.1-15, as amended by this act; or**
- 12               **(ii) this SECTION.**
- 13       **(f) This SECTION expires January 1, 2008.**
- 14       **SECTION 28. [EFFECTIVE JULY 1, 2004] IC 6-1.1-19-1.5 and**
- 15       **IC 21-3-1.7-7, both as amended by this act, apply only to property**
- 16       **taxes first due and payable after December 31, 2004."**
- 17       Page 1, delete lines 11 through 17.
- 18       Delete pages 2 through 3.
- 19       Page 4, delete lines 1 through 9.
- 20       Page 4, between lines 22 and 23, begin a new paragraph and insert:
- 21       "SECTION. 30. THE FOLLOWING ARE REPEALED [EFFECTIVE
- 22       UPON PASSAGE]: IC 6-1.1-4-13.6; IC 6-1.1-4-13.8."
- 23       Re-number all SECTIONS consecutively.
- (Reference is to HB 1347 as introduced.)

**and when so amended that said bill do pass.**

---

Representative Crawford